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SUBJECT: RCC'S FIRST YEAR: STILL WAITING FOR SUBSTANCE

¶1. (SBU) Summary: It has been nearly one year since the Regional Cooperation Council (RCC) took over the reigns from the Southeastern Europe's Stability Pact and about six months since the RCC moved into its new headquarters in Sarajevo, BiH. Unfortunately, the RCC has little in the way of concrete accomplishments it can point to 12 months after its creation. The RCC's December 12 board meeting was devoted primarily to discussing possible MOUs with other regional organizations. No concrete projects were submitted to the RCC board for approval. The RCC is still an unknown commodity in Sarajevo among the international donor community, and the Bosnian government has done nothing to take advantage of the regional organization's headquarters in the city. In addition to an unimpressive inaugural year, the RCC may soon find itself embroiled in a political controversy over Bosnia's refusal to recognize Kosovo travel documents. We will continue to meet with RCC staff and encourage that they focus the organization's energies on concrete projects (rather than conferences and seminars). We would recommend U.S. Embassies in RCC member countries do the same. End summary.

THE RCC'S FIRST YEAR: LITTLE TO REPORT  
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¶2. (U) The Regional Cooperation Council (RCC), the successor organization to Southeastern Europe's Stability Pact, opened its headquarters in Sarajevo during the summer of 2008. The RCC's Secretary General, former Croatian Foreign Minister Hido Biscevic, traveled frequently in the RCC's first year, completing RCC presentations in most member country capitals, visiting many European Union countries and attending conferences on behalf of the RCC. The RCC's five priority focus areas include: 1) Building Human Capital and Parliamentary Cooperation; 2) Economic and Social Development; 3) Energy and Infrastructure; 4) Justice and Home Affairs; and 5) Security Cooperation.

¶3. (U) At the December 12 RCC Board Meeting, Biscevic highlighted three emerging projects: the South East Europe Regional Fire-Fighting Center, a conference to launch the Southeastern and Central Europe Catastrophe Risk Insurance Facility, and a planned water conference in cooperation with the UN and, possibly, the Council of Ministers of BiH. The RCC expects that the Catastrophe Insurance Facility, in cooperation with the UN and the World Bank, will be launched by April 2009. Other than developing relevant contacts, the RCC had no concrete accomplishments to report on the Fire-Fighting Center project.

ASSESSMENT OF THE RCC  
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¶4. (SBU) To date, the RCC Secretariat has been relatively unsuccessful in making progress on discreet projects, save

possibly the Catastrophe Insurance Facility, and has spent most of its time focusing on formalizing relationships with other regional organizations and attending conferences. However, because the RCC only moved into its headquarters less than six months ago, we are reserving judgment on the organization's inability to develop a stronger presence in Sarajevo or its failure to present any concrete projects in the most recent December 12 board meeting. The board spent the meeting hearing about MOUs that the RCC was negotiating with other regional organizations and NGOs and debating about the dates for next year's board meetings and other events. Secretary General Biscovic, amid criticism from member and donor countries that the organization is short on projects, long on talk and conferences, admitted that the RCC's first year objective had been limited primarily to "stock taking". His intention is that in the RCC's second year, the staff will be able to "streamline" its priorities and focus on more concrete projects.

#### ROW WITH KOSOVO

15. (U) During the December 12 board meeting, the issue of Kosovo's recognition by RCC member countries was raised - initially because there was only one seat for UNMIK/Kosovo at the table, and there was one UNMIK and one Kosovo representative in the delegation. However, at the end of the meeting, the Kosovo representative noted that Kosovo citizens will soon be unable to travel to Sarajevo for RCC board meetings, as UNMIK has discontinued issuing travel documents and Bosnia does not recognize Kosovo as an independent country. He explained that his UNMIK documents will expire in March and, after that time, there will be no Kosovo

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representative (just UNMIK) to attend the meetings. He remarked that under the RCC guidelines, it is the host country's responsibility to ensure that all member countries can attend the requisite meetings, implying that Bosnia and Herzegovina was not in compliance with RCC bylaws. The Bosnian representative explained that his hands were tied, that this was a larger political issue and he cannot help. RCC Secretary General Causevic passed the hot potato back to BiH, explaining it was the host country's responsibility. The Kosovo representative then raised the issue that perhaps the board should look at moving the RCC Secretariat headquarters to a country that "all members could visit".

#### HOW THE U.S. CAN HELP

16. (U) Post has regular contact with RCC Secretariat staffers and the Ambassador hosted a lunch with Secretary General Biscovic in October. Within the international community in Sarajevo, surprisingly little is known about the RCC, considering this is the organization's headquarters. In particular, the Bosnian Government has done little to take advantage of the regional body's presence. We will continue to meet with the RCC staff and its senior officials to encourage work on concrete projects. We would also recommend that U.S. Embassies in RCC member countries encourage further high-level participation in board meetings and action on specific agenda items that would further concrete projects. With RCC Secretariat guidance, we could be a key lobby in member countries to push for more active participation and agreement to projects that coincide with regional and RCC priorities.

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